



Peterson Energy Operating, Inc. Timnath Project Presentation

January 8, 2015

Peterson Energy Operating, Inc.

Company History

- Headquartered in Loveland
- Family owned
- 20 year operating history
- Licensed and bonded in CO, WY, NE
- 60 producing wells



Peterson Energy Operating, Inc.

Project Overview
and
Well Construction

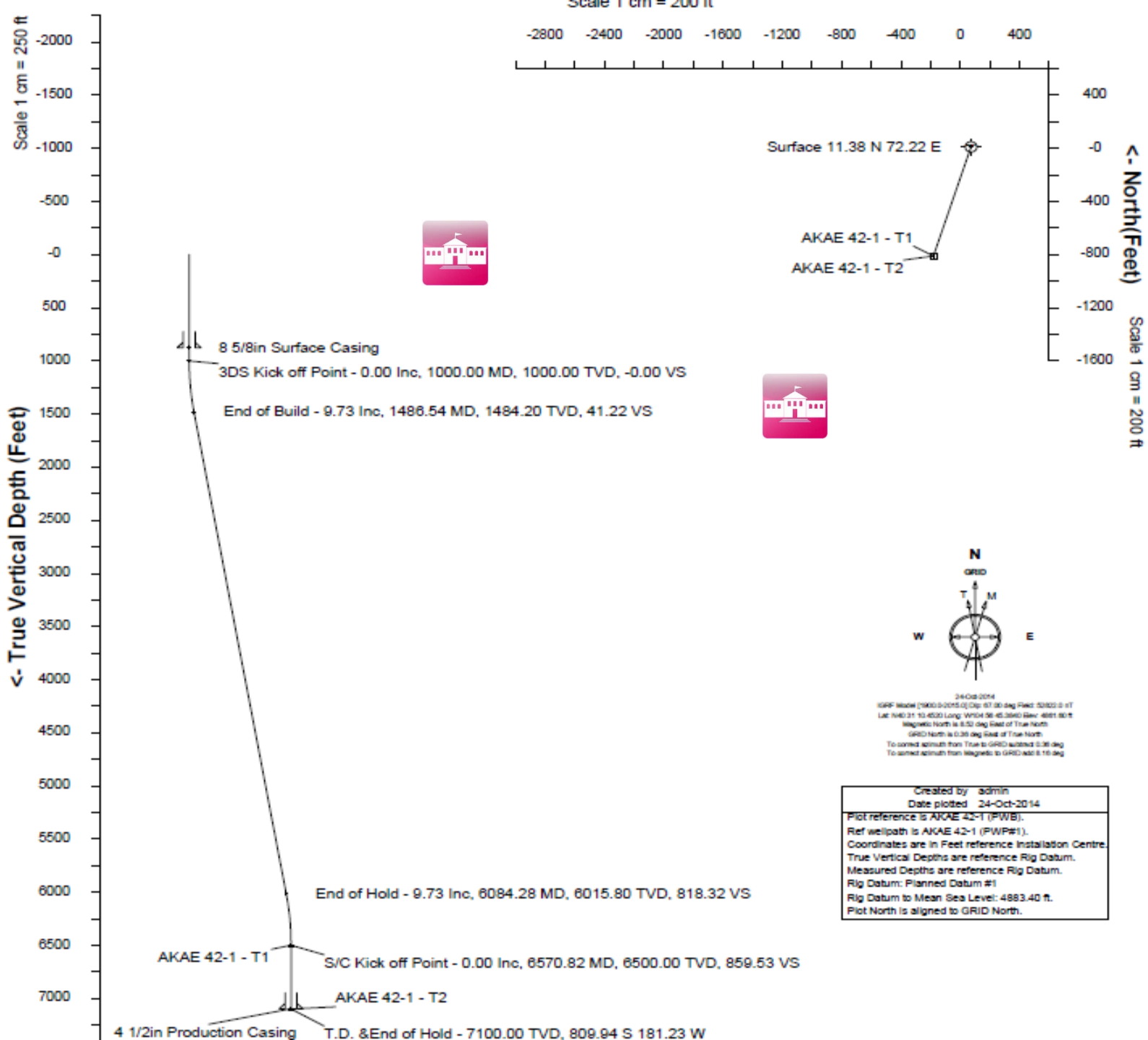


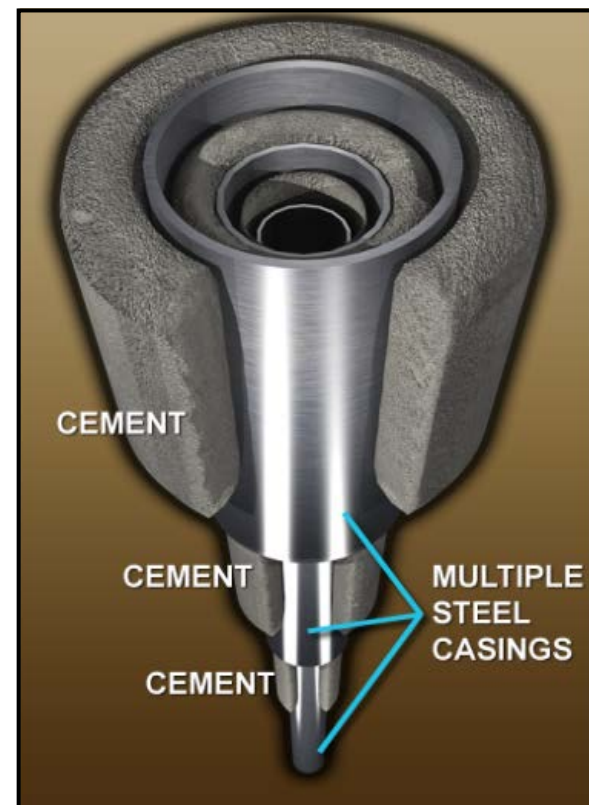
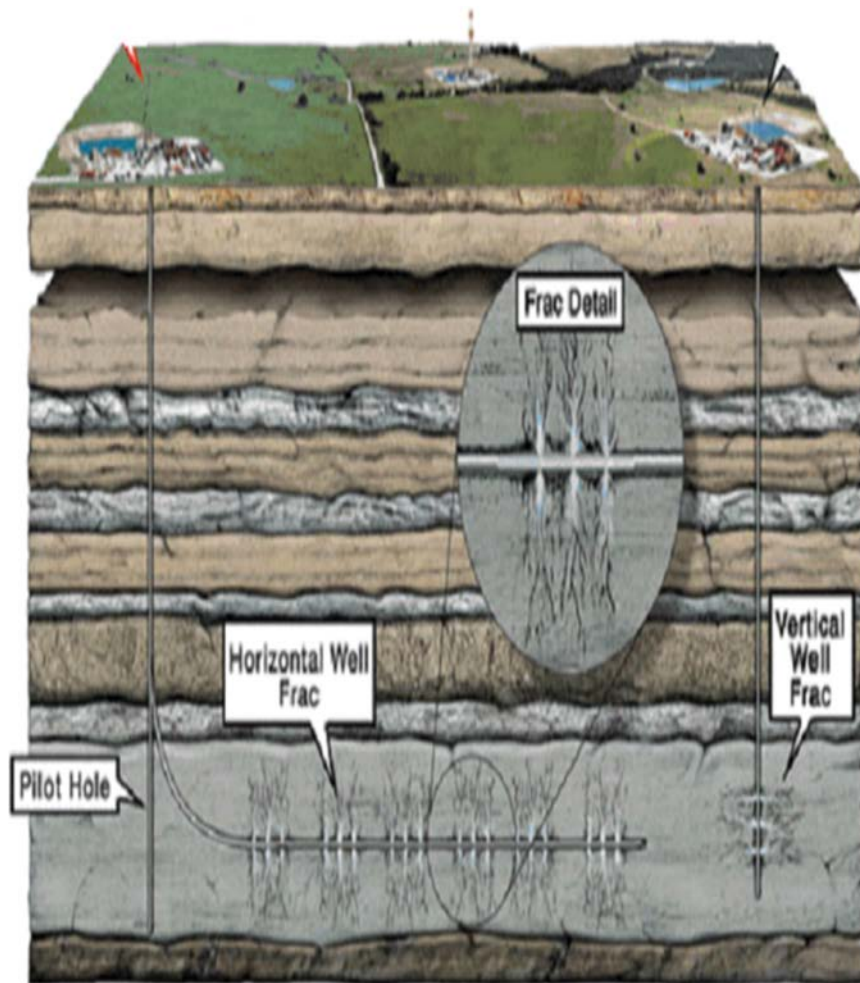


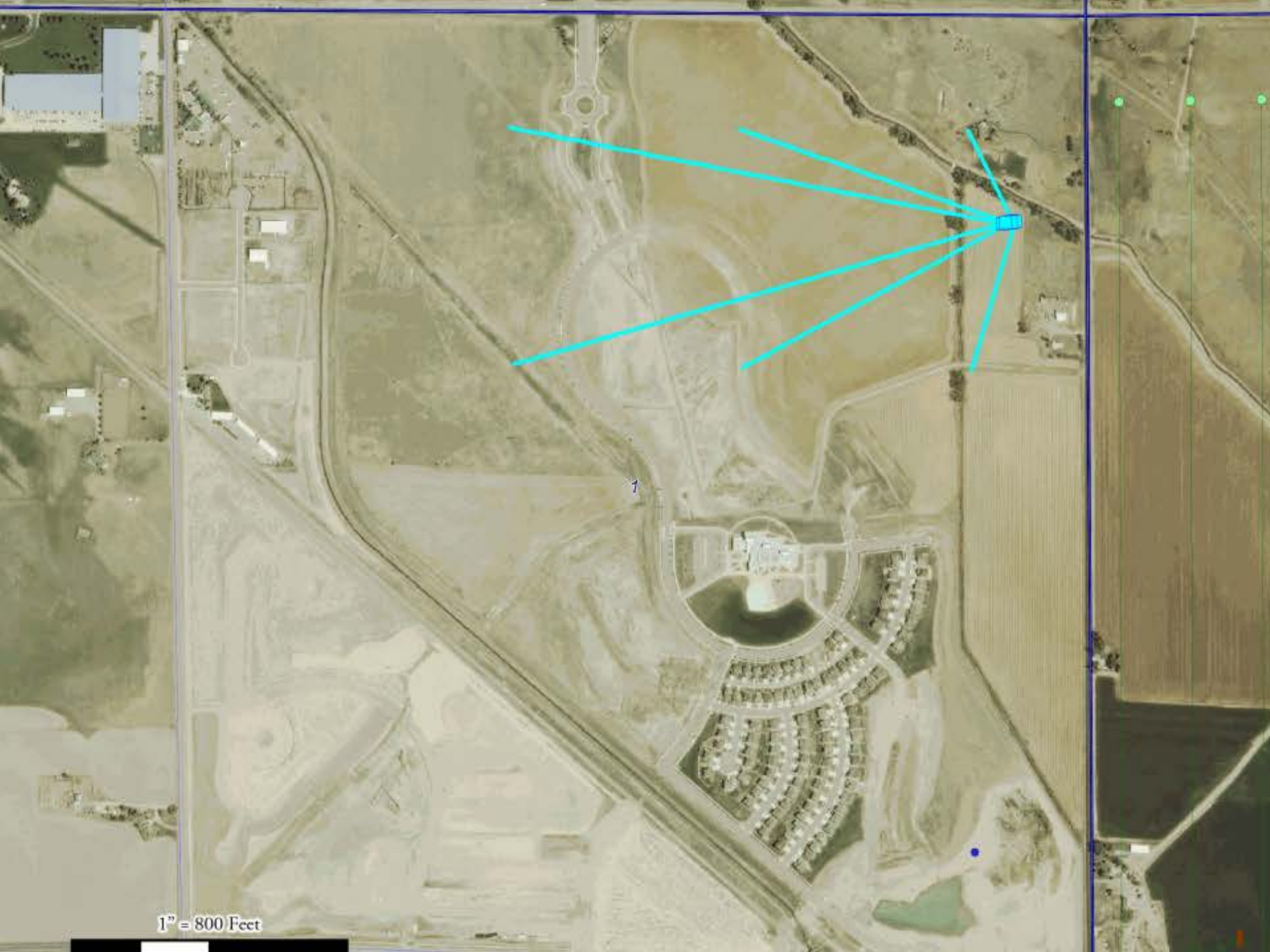
View from Bethke School, looking northeast to pad site







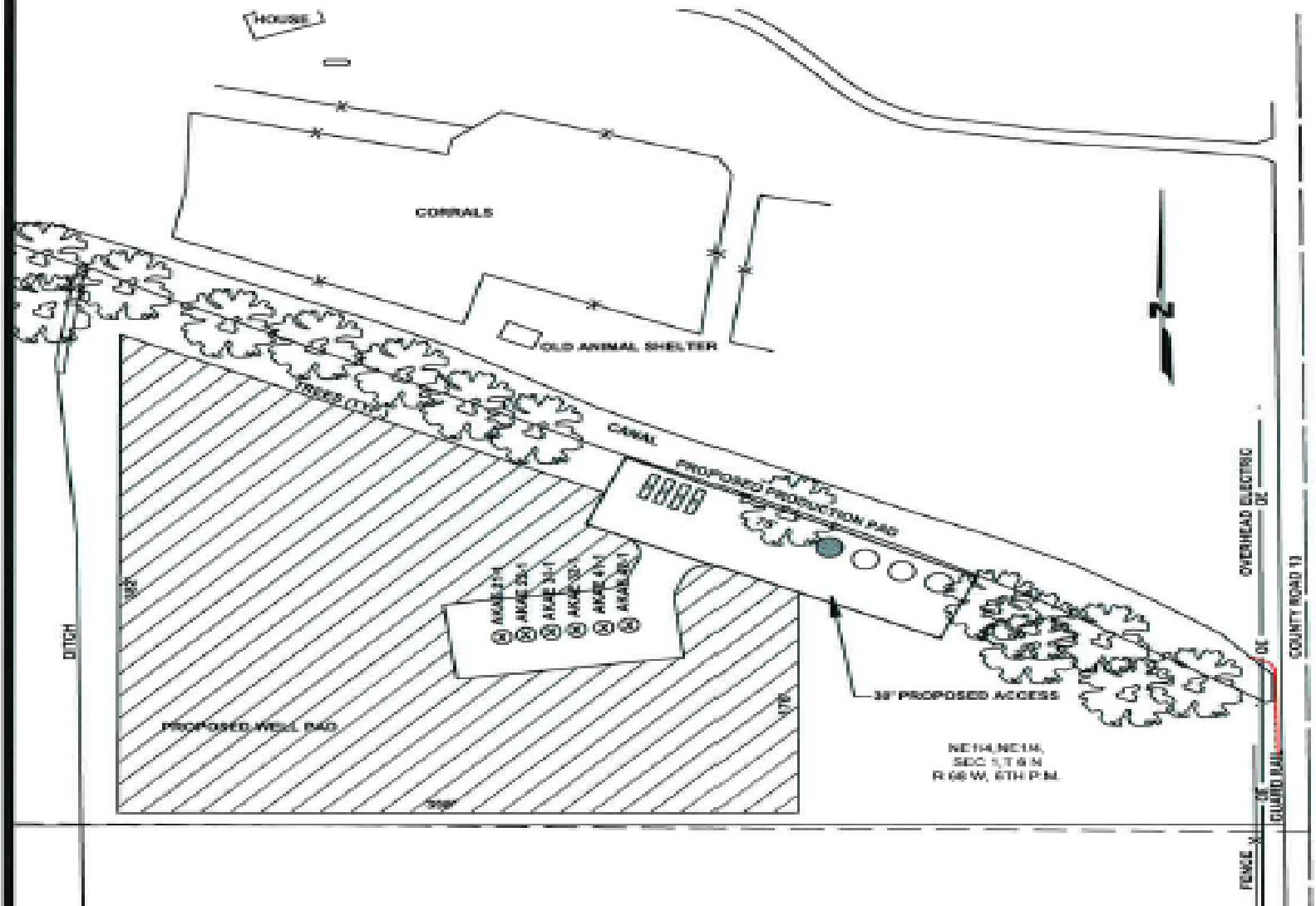




1" = 800 Feet

TANK PAD LAYOUT DRAWING

SECTION 1, TOWNSHIP 6 NORTH, RANGE 68 WEST, 6TH P.M.



LEGEND

- ⊗ PROPOSED WELL
- OIL TANK
- WATER TANK
- SEPARATOR
- ▨ RECLAIMED AREA

TOTAL DISTURBED AREA = 128,140 SQUARE FEET (2.90 ACRES)

RECLAIMED AREA = 111,141 SQUARE FEET (2.53 ACRES)



WELL NAME:

AKAE PAD

LOCATION:



Peterson Energy Operating, Inc.

Project Timing



Multiple Phases of Oil and Gas Operations

- **Permitting:** Operator applies to COGCC for Permit to Drill (includes local government and nearby neighborhood notification and consultation): 3-6 months
- **Surface Location Construction:** *(one week)*
- **Drilling:** *(6 days per well)*
- **Production Facility Construction:** *(tank battery): (1-2 weeks)*
- **Frac Prep:** *(3-4 days)*
- **Hydraulic fracturing:** *(1 day per well)*
- **Production:** *(20 years)*



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Company Safety Record Review

- 20 year operating history
- Numerous Inspections
- Two minor violations in past 24 months
- Nine older facilities with “Action Required”
- No citations for significant environmental issues



Inspection Date	Well Name	Insp. Status	Overall Inspection Status	Violation (Y/N)	Inspection Summary	Date Resolved
03/18/2014	Rasmussen 1	SI	Violation	Y	Need MIT, new wellsign	6/13/2014
03/18/2014	Rasmussen 3	SI	Violation	Y	Need MIT	6/13/2014
11/07/2014	Cimyotte	PR	Action Required	N	Missing signs, clean up site	12/23/2014
06/27/2014	Anselmi	PA	Action Required	N	Finish reclaiming location	Nov-14
06/05/2014	Mapelli	SI	Action Required	N	Repaint tanks, weeds on road	12/1/2014
03/28/2014	MFM Farms	SI	Action Required	N	Missing signs, clean up site	6/10/2014
03/18/2014	Rasmussen 2	PR	Action Required	N	Missing signs, paint tanks	6/13/2014
07/30/2013	Knowlton #13	AC	Action Required	N	Bring production reports up to date	Aug-13
07/01/2013	Dowdy #1	SI	Action Required	N	Install signs, cut weeds	Jul-13
06/14/2013	Burkhardt-Seltzer #2	PA	Action Required	N	Riser left on location, not Peterson's	Jul-13
06/14/2013	Burkhardt #2	PA	Action Required	N	Finish reclaiming location	checking
06/08/2014	Knowlton 5		Satisfactory	N	Missing signs, clean up site	7/24/2014
02/18/2014	Anselmi #1	FR	Satisfactory	N	Road washed out from flood	Nov-14

Review of Peterson Energy's newer facilities

- 392 Ventures Pad
 - 16 wells approved
 - 11 wells drilled to date
 - In Town of Windsor boundaries
 - Drilled in 2011
 - 1400' from Windsor Academy K-8 school
 - No Violations or "Action Required" inspections
- RBF Minerals Pad
 - 6 wells approved and drilled
 - In Town of Windsor boundaries
 - Drilled in 2010
 - 500' from houses in Peakview Estates subdivision
 - No Violations or "Action Required" inspections
 - Trees on landscape berms have required replanting



6 well RBF Pad
HWY 257 & 392, Peakview Estates Subdivision





 **Peterson Energy
Operating, Inc.**
IN CASE OF EMERGENCY CALL:
970-669-7411

AUTHORIZED PERSONNEL ONLY

DANGER NO SMOKING	NOTICE HARD HATS, STEEL TOE SHOES, & SAFETY GLASSES REQUIRED	
DANGER HIGH PRESSURE GAS	CAUTION HEARING PROTECTION REQUIRED IN DESIGNATED AREAS	
	SAFE WORK OR HOT WORK PERMIT REQUIRED	









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Mitigation Efforts

- Public discussions
- Moving the site
- Additional surface casing
- MOU with Timnath
- Noise barriers
- Low profile equipment
- Emissions control equipment
- Emissions monitoring



Peterson Energy Contact Information:

- Office Phone : 970-669-7411
Address: 2154 West Eisenhower Blvd., Loveland, 80537
- Andy Peterson's cell phone: 970-203-4263
- website: www.petersonenergyoperating.com



Takeaways:

Peterson Energy is:

- Safe
- Reliable
- A Good Neighbor

